

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 98-0663P

Gross and Adjusted Gross Income Tax
Fiscal Year Ended 02/26/94

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ISSUE(S)

I. **Tax Administration** – Penalty

Authority: IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

STATEMENT OF FACTS

Taxpayer, incorporated in Delaware on March 20, 1990 was audited for fiscal year ended February 26, 1994. Upon audit it was discovered that the taxpayer made several mistakes in reporting its income subject to tax.

Taxpayer requests that the department waive the negligence penalty because it did not act in a willfully negligent manner and complied with the Indiana corporate tax laws in good faith.

I. **Tax Administration** –Penalty

DISCUSSION

Taxpayer was assessed a negligence penalty for failure to include all of its receipts in gross income, add back state income taxes in adjusted gross income, and to correctly apportion sales.

Taxpayer, in a letter dated October 22, 1998 protested penalties assessed and states it did not act in a willfully negligent manner and complied with the Indiana corporate tax laws in good faith.

Taxpayer has not provided reasonable cause for making several errors on its tax return.

FINDING

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Taxpayer's protest is denied.